GUIDELINES FOR COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF EXPENSES IN CHAPTER 13 CASES

The U.S. Bankruptcy Court for the Eastern and Western Districts of Arkansas hereby authorize the use of the following guidelines for awarding compensation and reimbursing expenses of attorneys representing debtors in chapter 13 cases:

- 1. An attorney seeking interim or final compensation for services or reimbursement of necessary expenses from an estate in a chapter 13 case shall file an application as set forth in Federal Rule of Bankruptcy Procedure 2016.
- 2. As an alternative to the application process outlined in Federal Rule of Bankruptcy Procedure 2016, an attorney may file a "short form" application for a summary compensation award of fees and costs for *services through confirmation* in a chapter 13 case in compliance with the following:
 - a. The chapter 13 trustee shall be authorized to calculate, and to recommend to the court for approval, a summary compensation award based on the scheduled debts in each case. The summary compensation award shall be calculated as follows:
 - i. Eight percent (8%) of the scheduled secured debts that are to be paid through the chapter 13 trustee's office under the plan, excluding debts for property surrendered or abandoned or paid directly/outside the plan; plus
 - ii. Six percent (6%) of the scheduled unsecured priority and nonpriority debts; plus
 - iii. An amount for costs not to exceed \$50.
 - b. The summary compensation award shall be deemed fully earned at the date of the confirmation of the chapter 13 plan.
 - c. The minimum summary compensation award shall be \$1,000 for a non-business case.
 - d. The maximum summary compensation award shall be \$1,500 for a non-business case.
 - e. The maximum summary compensation award shall be \$2,500 for a business case.

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- f. Upon confirmation, the chapter 13 trustee shall pay the summary compensation award from funds paid by the debtor(s) as follows:
 - i. An initial portion of the summary compensation award in the amount not to exceed \$800, after first paying administrative costs, including applicable trustee's fees and administrative fees; and
 - ii. Thereafter, the remaining summary compensation award shall be paid at the rate of ten percent (10%) from the total amount disbursed to creditors each month.
- 3. As an alternative to the application process outlined in Federal Rule of Bankruptcy Procedure 2016, an attorney also may file a "short form" application for a summary compensation award of fees and costs for *services rendered post-confirmation* in a chapter 13 case in compliance with the following:
 - a. The chapter 13 trustee shall be authorized to calculate, and to recommend to the court for approval, the summary compensation award for post-confirmation services.
 - b. For the following services, the summary compensation award shall not exceed the designated amount:
 - Modification of Plan Simple (awarded upon confirmation of modified plan) – \$100;
 - ii. Modification of Plan Complex (awarded upon confirmation of modified plan) \$150;
 - iii. Post-Confirmation Motion for Relief from Stay or Motion to Dismiss filed by a creditor \$150;
 - iv. Motion to Dismiss filed by the chapter 13 trustee \$50;
 - v. Objection to Allowance of Claim \$100; and

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- vi. Motion to Avoid Lien pursuant to 11 U.S.C. § 522(f) \$100.
- c. An amount for actual and necessary costs in each for each service listed in subparagraph b will be allowed not to exceed \$50.

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d. The summary compensation award for post-confirmation services shall be paid upon court approval from funds paid by the debtor(s) through the chapter 13 trustee's monthly disbursement procedures.

THESE GUIDELINES ARE EFFECTIVE NOVEMBER 1, 2002.

APPROVED:

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